

SECRET

Article IV

Paragraphs 1 through 4. Mr. Baldwin makes a general restatement of his thesis that the intelligence personnel are inexperienced and inadequate as to background. Some CIA personnel, unnamed by him, are characterized as "chair warmers" and "empire builders". These charges have all been considered in remarks in connection with the first three articles.

In examining the educational qualifications of the professional personnel in CIA, one finds that 95% of them went to college, 60% have one degree, 30% have two degrees, and 11% have three degrees. For ORE alone, these percentages read respectively, 90%, 83%, 37%, and 14%.

The qualifications of CIA professional personnel in foreign languages, show that 93% speak one foreign language, 63% two foreign languages, and 30% three or more foreign languages. In ORE, these percentages are respectively 95%, 71%, and 23%. (This is proficiency, not merely training or ability to understand.)

60% of CIA professional personnel have had military service (ORE -- 53%).

CIA professional personnel have had intelligence experience as follows: 91%, one year; 70%, two years; 61%, three years or more. These percentages for ORE are respectively 98%, 94%, and 70%.

SECRET

SECRET

CIA professional personnel have had experience related to intelligence, such as research and analysis, professorial positions and similar activities as follows: 95%, one year; 88%, two years; 79%, three years or more. The ORR percentages are respectively 96%, 93%, and 86%.

CIA professional personnel have had foreign residence as follows: 44%, one year; 37%, two years; 27%, three years or more. The ORR percentages are respectively 46%, 39%, and 29%.

55% of CIA professional personnel have had foreign travel with a similar percentage in ORR.

70% of CIA professional personnel are male, and 67% of ORR professional personnel are male.

While figures are misleading and often inconclusive, the above are submitted as an example of the basic qualifications and background of CIA professional personnel.

Paragraph 5. Mr. Baldwin urges that the Director of Central Intelligence should be a civilian and that his senior executives and office chiefs should also largely be civilians. This argument has been advanced before, but the true point is not whether the Director should be a civilian or a military man but rather concerns tenure of office. Everyone agrees that the directorship should be a long term office and not a rotating one. Congressional criticism in this respect has been met by the statement of the present Director that he will

SECRET

SECRET

not seek relief from the position, and the concurrence of the Secretary of Defense (the Secretary of the Navy) that he would not be relieved and that the position would not be considered as merely another tour of duty. Among the present Assistant Directors and staff chiefs of CIA, six are civilians and three are military. Where deputies are present, three are civilian and four are military.

Paragraph 6. There never was the concept indicated by Mr. Baldwin that CIA should be staffed in large measure by service personnel. The original concept was that CIG would be staffed by departmental personnel, but even within the Military Establishment, this was interpreted to mean that the departments would furnish largely civilian personnel to the agency. Since CIG was not an agency/^{originally} and had no employment authority, this means was adopted to staff the office with people recruited and paid by the regular departments and assigned to CIG. Mr. Baldwin's charge that officers assigned by the services to CIA are not always the best, should receive the same answer as his similar remarks concerning civilian personnel. His statement that most of them have a psychological aversion to intelligence duties is to some extent true throughout the services, but it is much less prevalent now than in former years. The importance of intelligence, and service willingness to accord it rank commensurate with

SECRET

SECRET

that importance, has helped the situation immeasurably. In many instances, the services have exercised the greatest care in selecting personnel to assign to CIA, with particular emphasis on graduation from one of the higher service schools or the National War College.

Paragraphs 7 and 8. Mr. Baldwin, commenting on inducements for recruiting civilians, states that they probably cannot be persuaded unless some of the restrictions of Civil Service are relaxed. CIA does not believe that such Civil Service rules and regulations as apply to it hamper recruitment. A minor deterrent is the preliminary security check, which to be effective must consume considerable time, and occasionally this delay has discouraged applicants. Every day, however, newspaper stories emphasize the absolute necessity of the most complete security investigations. In general, it may be said that CIA has received the fullest cooperation from the Civil Service Commission and has been given whatever leeway its special problems require.

Mr. Baldwin further states that more security and sense of accomplishment will have to be provided. It should be noted that although CIA employees are on a so-called Schedule A status, they are entitled to all the rights and benefits, such as retirement and disability compensation, that accrue to the regular civil servant. In most cases also, there are procedures for them to acquire permanent Civil Service status. CIA agrees, however, that additional security measures would be a strong recruiting inducement.

SECRET

~~SECRET~~

The essential element in both recruitment and retention of employees is a ceiling on top salaries in the Government. CIA is in complete agreement with Mr. Baldwin on the caliber of the employees needed for intelligence work. But CIA is only too familiar with the fact that this caliber commands salaries in private industry and professional life which does not let the Government even compete from an economic point of view. CIA would welcome Mr. Baldwin's support in the effort to provide adequate salary ranges for key Government employees. CIA also agrees that with additional security a sense of accomplishment is necessary to recruit and maintain an adequate corps of intelligence officers. It is believed axiomatic that they must be recruited on the basis of a career service. Short-term tours in intelligence, say four or five years, with a rapid turnover are unsatisfactory. If a career service is the aim in each case, there will still be a normal attrition which would establish a reserve corps of intelligence officers to be available in the event of an emergency. The sense of accomplishment, except in special instances, will come only from such a career of public service, as little outward recognition can be afforded.

In this connection, Mr. Baldwin sets forth the desirability of recruiting picked men from colleges or graduate schools. CIA has conducted a program towards this end for two years but, as indicated above, does not normally limit its aim to a four or five year tour.

SECRET

Paragraph 9. CIA agrees completely that the personnel problem is of prime importance and has given its solution the highest priority. The one barrier which it cannot overcome alone is the economic limitation on competition with private business.

Paragraph 10. Mr. Baldwin suggests certain reforms for CIA. The first is a thorough housecleaning of personnel to eliminate drones, incompetents and "empire builders". If Mr. Baldwin were willing to name names, with supporting facts, it is certain that CIA would take the necessary steps. For him to throw out the general charge is reprehensible in that it serves to undermine public confidence in the Agency by the presenting of charges unsupported by the facts.

Paragraph 11. The second reform suggested is a reorganization of CIA on a more efficient basis. He suggests that OGD ought to be eliminated or greatly reduced. Under its present head, this office had made marked reductions in personnel with increased efficiency, as described in Article I. To reduce it greatly would mean the elimination of the Reference Center and its component registers, which would be so shocking a loss to the intelligence service of the United States as to lead one to believe that Mr. Baldwin does not know of, or at least does not understand, its functions. He suggests that the Office of Administration & Management be cut down. Through its own experience, A&M has come to realize that the functions which it envisaged can be performed by thirty less people than

SECRET

it had originally contemplated recruiting. Now that the peak load in numbers of personnel recruitment and processing has been passed, a reduction in the size of the Personnel Branch is in effect. This had always been contemplated once the initial peak had been reached. The Budget & Finance Branch cannot be materially curtailed, for it not only has the normal fiscal problems pertaining to Government agencies but also special burdens imposed by security requirements on budget procedures, expenditures, and accountings. In addition, it has the highly specialized and difficult responsibility for handling the confidential funds required for intelligence activities. A review of its functions indicates that it would be difficult to reduce the size of the Services Branch.

Mr. Baldwin's reported friction between OO and OSO is non-existent. There is no doubt that these two offices should work very closely and coordinate their efforts, but it is questionable whether any purpose would be served in combining the two offices. The functional areas are quite separate, and the disparate specialized techniques of each warrant their continued separation under separate heads. CIA takes strong exception to Mr. Baldwin's remarks that these offices should be reduced in size. OO has been barely staffed, and it is felt that a day spent by Mr. Baldwin in any of the offices of OSO would show how badly they need qualified operations officers to fill out their none too large T/O.

OSO has no evaluation section as the word is normally used. There are reports officials who grade the sources and

SECRET

assign tentative grades to the information. In the field of secret intelligence, only the office which does the collection is in a position to evaluate the source. To avoid any misunderstanding, reports disseminated by OSO state that the information is unevaluated and should be used only by trained intelligence analysts. Experience has shown that there cannot be a complete separation between clandestine operations and the product resulting therefrom. Similarly, OSO does not have a proper evaluation section, but again has officers who evaluate the source and where appropriate the credibility of reports. The true evaluation of the information collected by OO is performed by ORE.

Mr. Baldwin's suggestion that the intelligence research section of the State Department intelligence organization should be transferred to CIA would mean leaving that Department without the intelligence research which its daily operations demand. His statements elsewhere expressed, that the State Department feels that many of its reports and evaluations are merely duplicated by those of CIA, are also to a great extent incorrect. Any such feeling which has arisen stems from the fact that both agencies deal with political and economic intelligence, but it is done from entirely different points of view and terms of reference. It again is the difference between departmental and national intelligence. State Department research is more historical reporting, whereas that of CIA tends more to prediction and forecasting. Any

SECRET

SECRET

former differences in this connection have been ironed out by State Department realization that they are no longer alone and exclusively dealing in the field of foreign policy and that certain elements thereof have been merged into an over-all national security policy, of which foreign policy is but one component.

Paragraph 12. CIA concurs with Mr. Baldwin that there must be centralized authority to coordinate all intelligence activities of the Government and particularly that clandestine activities, both positive and counterespionage, must have singleness of direction. CIA also agrees that the present structure is basically sound and has no recommendations for major changes.

Paragraph 13. OSO is the first to concur with Mr. Baldwin's conclusion that secret intelligence operations must be conducted on a broader base than heretofore, although it believes his inference of present insecurity in operations is unwarranted.

25X1

SECRET

SECRET

the easiest way, but because to some extent it has been the only way. Wartime clandestine activities proved almost useless for peacetime intelligence purposes and were largely liquidated. If Mr. Baldwin fully understood the endless difficulties encountered in establishing each truly clandestine project, he would not, it is believed, depreciate the extent of the operations now being carried on. A great deal more is needed, and Mr. Baldwin is correct in stating that ingenuity and secrecy (and we may add imagination) are the keys to sound operational procedures. In its short life, and from the earlier experience of others, CIA has learned much towards improving the secrecy aspect and is applying all the ingenuity and imagination at its command to new types of cover and methods for the performance of clandestine activities.

SECRET